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11. The following is the International Narcotics Control Strategy Report, 2009-2010, Part 1 for Croatia.

BEGIN TEXT.  
Croatia

## 1I. Summary

The Republic of Croatia is a transit point through which narcotics are smuggled from production countries to consumer countries. While smuggling occurs both overland and by sea, the most significant seizures, particularly for cocaine, are connected with sea transport. Croatian law enforcement bodies cooperate actively with their U.S., EU and regional counterparts to combat narcotics smuggling. Croatian authorities estimate that smuggling of narcotic drugs via container traffic will increase. According to available indicators, the drug supply increased and became more diverse in recent years. These changes have led to an increase in drug use, particularly among young people. Some of the factors that are contributing to the growth of narcotic-related crime in Croatia are the liberalization of border traffic as part of the EU integration process, increasing tourism and maritime traffic, the long maritime border, and Croatia's geographical position as a crossroads between the East and West and Northern and Southern Europe. The illicit production and/or distribution of narcotics as well as laundering of crime proceeds are punishable under Croatian law. Croatia is a party to the 1988 UN Drug Convention. The Government's Office for Combating Narcotic Drugs Abuse has been intensively working on building and strengthening national systems and is actively involved in European and broader international initiatives.

## II. Status of Country

Geographically, Croatia is located in South-East Europe at the crossroads of the Mediterranean, Central Europe, and the Balkans. The long land border with Bosnia and Herzegovina, Slovenia, Serbia, Montenegro, and Hungary, and a 1777 km coastline (plus an additional 1185 islands) are attractive targets for contraband smugglers seeking to move narcotics into the large European market. The "Balkan route" is recognized as the shortest way from the East to Western Europe and lately it has become a two-way route with heroin and cocaine moving through Croatia to Western Europe and synthetic drugs moving from Western European producers to the Middle East and Asia. There has also been a recent increase in cocaine traffic coming into Croatia from South America via Africa and then on to other European destinations. According to Croatian authorities, there is no significant or organized production of narcotics in Croatia, and domestic production is limited to individuals growing marijuana for the domestic narcotic market.

## III. Country Actions against Drugs in 2008 and 2009

Policy Initiatives. Beginning in 1995, Croatian officials created a counternarcotics master plan which is divided into a National Strategy and an Action Plan which define the tasks of individual ministries and state administration bodies involved in counternarcotics efforts. The "National Strategy on Combating

Narcotic Drugs Abuse (2006-2012)" and the "Action Plan on Combating Narcotic Drugs Abuse in the Republic of Croatia for 2009-2012," delineate the tasks of relevant ministries and government administration bodies in Croatia's fight against the use and trade in illegal drugs. Croatia's new National Strategy replaced a former program that was implemented in 1996 and ended in 2005. The strategy is comprehensive and covers the same five pillars as the EU's strategy: coordination, supply reduction, demand reduction, international cooperation, and information, research, and evaluation. Its two main goals are: (i) a reduction in drug use, drug addiction and related health and social risks and (ii) the promotion of successful law enforcement efforts to curtail the production and trafficking of drugs and precursors. The strategy is complemented by the Action Plan which implements annual programs. The Plan describes in detail the specific aims and methods for achieving the strategic goals, as well as specific tasks of particular offices and ministries for each budgetary period.

Addiction prevention programs in Croatia, which were established in 2005 in all counties, involve sectors such as education, health and social care, nongovernmental organizations, and media. There are 21 counties in the Republic of Croatia, each with a County Commission on Combating Narcotic Drugs Abuse bringing together local experts from different fields. In 2008, the Government also passed the Annual Employment Plan, which includes guidelines for the employment of rehabilitated addicts.

The Croatian Penal Code provides for criminal penalties for narcotics and narcotics-related offenses. The minimum penalty for narcotics production and dealing is three years. The minimum penalty for selling narcotics by organized groups is five years. The minimum penalty for incitement or facilitating the use of illegal narcotics is one year. In addition, punishment for possession of related equipment or precursor chemicals has a mandatory sentence of no less than one year.

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Law Enforcement Efforts. The Interior Ministry, Justice Ministry and Customs Directorate share responsibilities for law enforcement efforts, while the Ministry of Health has primary responsibility for the strategy to reduce and treat drug abuse. The Interior Ministry's Anti-Narcotics Division is responsible for coordinating the work of counter narcotics units in police departments throughout the country. The Ministry of Interior reported successful and effective cooperation in 2008 and the first six months of 2009 with DEA, FBI, the General Inspectorate of Interpol, UNODC (the UN's Office for Drug-Control and Crime Prevention) and other agencies responsible for drug control.

Under Croatian law, police are allowed to use undercover investigators and confidants, simulated purchases or sales, simulated bribery, secret surveillance, technical recording of persons, and wiretapping. Croatian criminal legislation strengthened measures to confiscate assets of organized crime groups in late 2008 by shifting the burden of proof about the legitimate origins of assets to the defendant rather than the prosecutors. Reverse sting authorization was included in December 2008 changes to the Criminal Procedure Act, but police did not conduct a reverse sting operation during the reporting period. According to the amendments to the Croatian Penal Code (article 82), if a case falls under the authority of the specialized prosecutors who work in the Office for Suppression of Organized Crime and Corruption (USKOK), it shall be assumed that all of a defendant's property was acquired by criminal offences, unless the defendant can prove the legal origin of assets. The pecuniary gain in such cases shall also be confiscated if it is in possession of a close third party (e.g. spouse, relatives, and family members) and it has not been acquired in good faith. Croatia continues to cooperate well with other European states to improve border management. Authorities described this cooperation on narcotics enforcement issues with neighboring states as good.

In 2009, the Croatian Police created separate Police USKOK (PN-USKOK) offices to correspond with the prosecutor's USKOK offices. This should enable better cooperation on drug trafficking

and organized crime cases between police and prosecutors. Croatia also created separate sections within the four largest courts to hear USKOK cases with specially trained and vetted judges.

Croatian laws are generally sufficient to combat narcotics trafficking and drug use. The Criminal Law covers the illicit use (possession), production, and trade of narcotics. The law also criminalizes acts committed under the influence of drugs. Criminal sanctions vary from a fine to long-term imprisonment, depending on the nature of the crime and crime consequences. The Act on Combating Narcotic Abuse, enacted in 2001, covers misdemeanor crimes, the export and use of precursor chemicals, and other administrative and regulatory issues. The act requires all persons or corporations to obtain import, export, or transport licenses for any quantity of listed drugs or precursors. The act also regulates healthcare, treatment, international cooperation, and drug education and other preventive programs.

During 2008, seizures of various types of narcotics declined 10 percent from 2007 to 5,879 seizures. The seizure rate continued to drop in 2009, falling by 9 percent for the first nine months to 4,158. The Ministry of Interior reported that the general, undercover, customs, and/or border police seized drugs in the following amounts during 2008 and the first nine months of 2009:

	2008	2009
Cocaine	29 kg	5kg
Heroin	153 kg	57 kg
Marijuana	221 kg	204 kg
Hashish	5 kg	112 kg
Amphetamine	15 kg	4 kg
Hemp (stalk)	268,822 pieces.	n/a
Heptanone	10,920 tablets	2,754 tablets
Ecstasy	6,855 tablets	1,879 tablets
LSD	654 doses	9 doses

The largest seizures of cocaine in the Republic of Croatia occurred in the container terminal of the port of Rijeka. No seizures occurred at sea during the reporting period. Evidence indicates that the cocaine was intended for the illegal narcotic markets of Western Europe. Cocaine trafficking has been increasing in recent years and this has been generally reflected in the overall seizure rate:

2008	233 seizures
2007	253 seizures
2006	179 seizures
2005	147 seizures
2004	135 seizures

In the first nine months of 2009, however, cocaine seizure have fallen dramatically with only 5 kg seized compared to more than 25 kg in the same period in 2008.

A total of 7,882 drug related criminal offences were registered in 2008 which constitute 10.6 percent of all reported criminal offences

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in Croatia. Police filed criminal charges against 5,225 individuals. The Ministry of Interior reported 5,610 criminal acts related to narcotic abuse were registered in the period from January 1 to September 30, 2009. Nearly one-third of those are complex felony cases. During this time period, 4,723 persons were charged with narcotic-related crimes.

Corruption. The illicit production and/or distribution of narcotics as well as the laundering of criminal proceeds are punishable under Croatian law. As a matter of government policy, neither Croatian officials nor the Croatian government facilitate the production, processing, or shipment of drugs, or the laundering of the proceeds of illegal drug transactions. The USG is not aware of any allegations of senior government officials participating in such activities. Croatia is a party to the UN Corruption Convention.

Agreements and Treaties. Croatia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1972 UN Convention Against Psychotropic Substances. Croatia is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking

in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. Extradition between Croatia and the United States is governed by the 1902 Extradition Treaty between the U.S. and the Kingdom of Serbia, which applies to Croatia as a successor state. The Croatian Constitution prohibits the extradition of Croatian nationals, but the Government was preparing a constitutional amendment during the reporting period as part of EU accession negotiations to allow extradition of its nationals. On March 1, 2008, the Croatian Ministry of Interior sent a liaison officer to Europol.

**Cultivation/Production.** Small-scale cannabis production for domestic use is the only known narcotics production within Croatia. Poppy seeds are cultivated on a small scale for culinary use. Because of Croatia's small drug market and a relatively porous border, Croatian police report that nearly all illegal drugs are imported into Croatia.

**Drug Flow/Transit.** Croatia lies along part of the "Balkan Route" for heroin smuggling. Officials report that the Balkan Route is now "two-way," with heroin and other drugs from Asia moving through Croatia to Western Europe and synthetic drugs produced in Western Europe smuggled through to the East. Drugs are smuggled through Croatia both overland and via the sea, and Croatian authorities believe that smuggling through shipping containers will increase in the coming years. Although Croatia is not considered a primary gateway, police seizure data indicate smugglers continue to attempt to use Croatia as a transit point for non-opiate drugs, including cocaine and cannabis-based drugs. A general increase in narcotics abuse and smuggling has been attributed to liberalization of border traffic and increased tourism and maritime activities. The Ministry of Interior reports that most large-scale shipments of marijuana and hashish arrive from Africa and are being smuggled via ship. Some smaller quantities of marijuana are brought into Croatia by foreign tourists during the summer season, mostly for their own consumption.

Some marijuana is also produced through domestic illegal cultivation. Synthetic drugs like amphetamine and derivatives of amphetamine, mostly Ecstasy tablets, are smuggled from Western European producer countries and also from narcotic markets in Asia and from Croatia's neighboring countries.

**Domestic Programs/Demand Reduction.** The Office for Combating Drug Abuse develops the National Strategy for Narcotics Abuse Prevention and is the focal point for agency coordination activities to reduce demand for narcotics. According to the most recent indicators, drug availability increased on the Croatian market in the past several years, which resulted in an increased number of drug addicts, especially among youth. According to the Croatian Public Health Institute the number of treated persons continues to decrease. Of the treated addicts the greatest number were treated for addiction to opiates and marijuana. In 2008, 116 drug-abusers died, which is a 30 percent decline from 2007. Of these deaths, approximately 70 percent were overdoses. Nearly half of all heroin addicts were infected with the hepatitis C, and 13.6 percent were positive on hepatitis B. The Ministry of Education requires drug education in primary and secondary schools. The state-run medical system offers treatment for addicts, and slots are sufficient to accommodate those seeking treatment.

In 2008 the Republic of Croatia spent 84 million kuna (USD 17.5 million) for the implementation of the National Strategy and the Action Plan, which include both law enforcement efforts and demand reduction programs. In 2008 the state budget for the implementation of the activities stated in the National Action Plan and the Strategy increased by 26.4 percent in comparison with 2007. During the first six months of 2009, Croatia only spent 30 million kuna (USD 6.3 million), reflecting cuts to the national budget due to the economic crisis.

#### IV. U.S. Policy Initiatives and Programs

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**Bilateral Cooperation.** U.S. counternarcotics policy in Croatia is focused on expanding the capacity of the police and prosecutor's drug divisions and working with investigators from the Croatian

Ministry of the Interior's Drug Division on their international investigations, particularly with respect to South America-based drug trafficking organizations. DEA is the lead agency in this endeavor and continues to foster an outstanding relationship with Croatian law enforcement. DEA has achieved significant results with respect to bilateral and multilateral investigations and cooperation in 2009. Croatia is also a regular participant at international drug conferences covering strategic as well as operational matters. U.S. assistance for police reform efforts under the State Department-supported ICITAP (Department of Justice) program is now focused on combating organized crime and corruption. The Export Control and Related Border Security Program (EXBS) also provides support and training to customs and border police. DEA, ICITAP, and EXBS training and cooperation have helped lead to several seizures and more effective prosecutions of drug crimes.

Road Ahead. In 2010, the ICITAP and EXBS programs will continue to train and advise Croatian law enforcement personnel on anti-narcotics activities. The Department of Defense is also assisting with counternarcotics equipment for border police through the U.S. European Command. Resident advisors will continue to assist the Ministry of Interior and Office for Suppression of Organized Crime and Corruption (USKOK) in improving police and prosecutor cooperation in complex narcotics and organized crime cases and plan to assist Croatian police and prosecutors in planning and conducting reverse sting operations and prosecutions. EXBS (Export Control and Related Border Security Assistance) programs will also assist the Ministry of Interior and Customs Directorate to enhance their capabilities in fighting narcotics and organized crime cases.

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